



Department
for Education

South London Area Review

Final Report

February 2017

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Background

In July 2015, the government announced a rolling programme of around 40 local area reviews, to be completed by March 2017, covering all general further education and sixth-form colleges in England.

The reviews are designed to ensure that colleges are financially stable into the longer-term, that they are run efficiently, and are well-positioned to meet the present and future needs of individual students and the demands of employers. Students in colleges have high expectations about standards of teaching and learning and the extent to which their learning prepares them to progress further, to higher education or directly into employment.

The Department for Education (DfE) worked closely with the Greater London Authority (GLA), London Councils¹ and London's colleges on the London reviews. The London reviews covered a total of 46 colleges, including 30 general further education colleges, 12 sixth-form colleges, 3 specialist designated institutions and a land based provider. Due to the large number of colleges in London, the reviews were carried out through 4 sub-regional areas. The steering group meetings for each 4 areas were carried out in line with published guidance. Each of the 4 area steering groups was chaired by a borough leader from one of the London boroughs in the review area, on behalf of all boroughs in the sub-region. The London reviews were overseen by a London area review steering group, a strategic body, tasked with ensuring that the 4 London reviews delivered coherent recommendations, able to secure a resilient base of institutions, and high quality post-16 skills provision, aligned to London's educational, economic and social needs.

The South London steering group was chaired by the leader of the London Borough of Sutton. The steering group met on 6 occasions between April 2016 and November 2016, and additional informal meetings also took place to consider and develop options in greater detail. Membership of the steering group comprised each college's chair of governors and principal, representatives from the Greater London Authority (GLA), the South London Partnership² and local authorities; 2 business representatives; the Further Education (FE) Commissioner; the Deputy FE Commissioner; the Sixth Form College Commissioner, the Regional Schools Commissioner, and representatives from the Skills Funding Agency (SFA), the Education Funding Agency (EFA) and DfE. The London area review steering group met on 4 occasions between February and November 2016, considering issues and outcomes emerging from the 4 sub-regional reviews, identifying cross-cutting themes and concerns, and providing advice back to inform the local process.

Visits to colleges and support throughout the process were provided by staff from the FE and Sixth Form College Commissioners' teams. The Joint Area Review Delivery Unit (JARDU) provided the project management, administrative support and developed

¹ [London Councils](#)

² [South London Partnership](#)

supporting materials and papers used by the steering group. JARDU also led on consultations with local stakeholders.

In parallel with the London area review, London government conducted a review of Adult Community Learning (ACL). Its aim was to establish the long term strategic direction for post-19 ACL provision in London, to meet Londoners' needs, and to develop a set of recommendations for commissioning and delivery of ACL provision in London, post devolution.

The emerging findings of the ACL review informed all 4 area review steering groups, with final recommendations from the ACL review presented to the final London area review steering group.

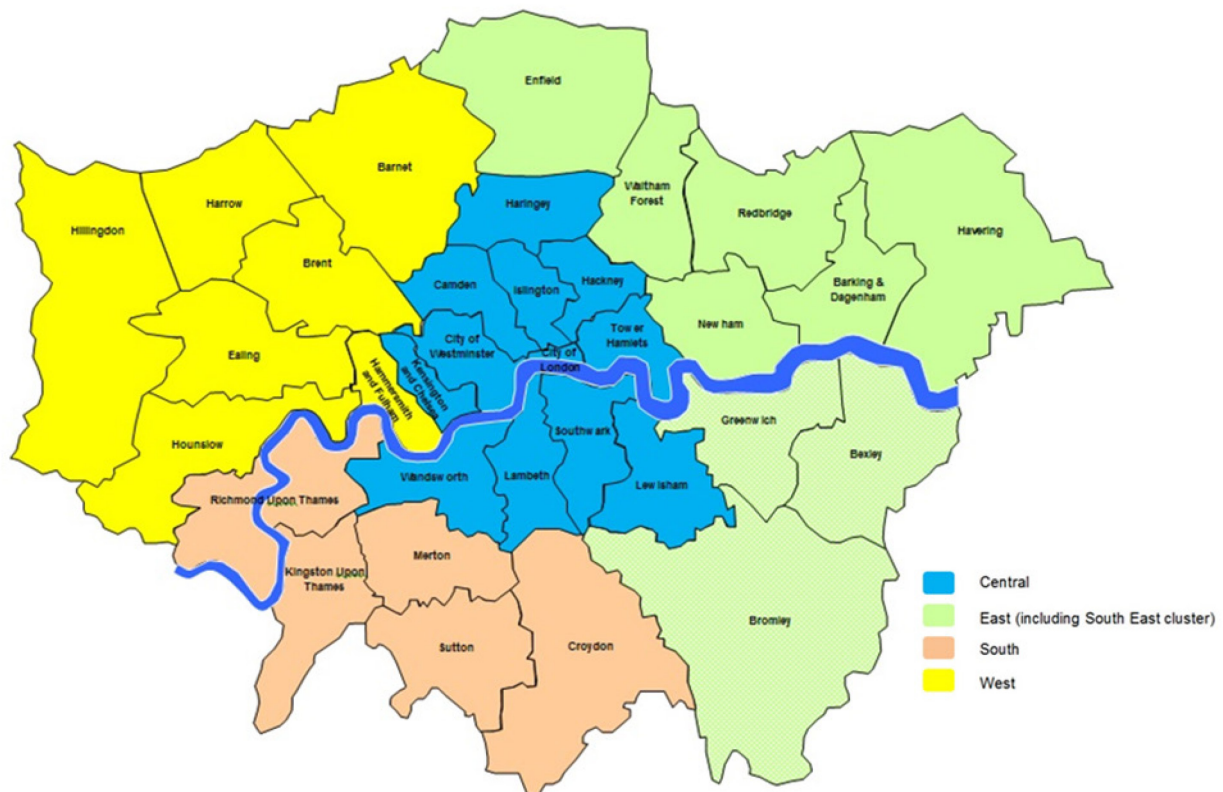
The needs of the South London area

Demographics and the economy

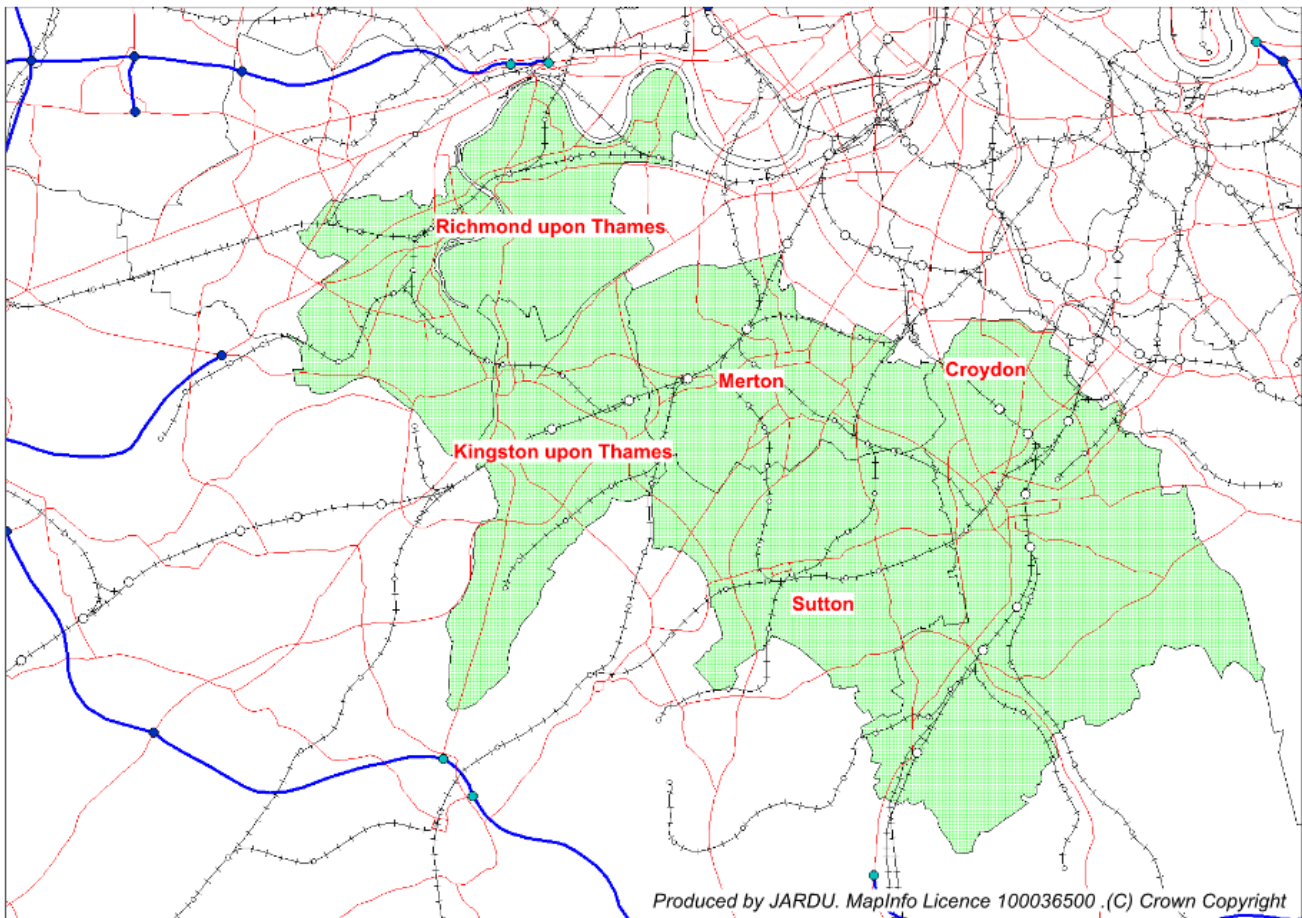
The South London sub-regional area review covered 5 local authority areas (London boroughs):

- Croydon
- Kingston upon Thames
- Merton
- Richmond upon Thames
- Sutton

The South London review area is illustrated in orange on the map of the wider London area below:



The locations of the 5 local authority areas covered by the South London review area are illustrated on the map below:



The table below provides a snapshot of key demographic and economic data³, which has acted as a starting point for this review.

	Croydon	Kingston upon Thames	Merton	Richmond upon Thames	Sutton	London Overall	Great Britain
Total population (2015)	379,000	173,500	204,600	194,700	200,100	8,673,700	63,258,400
Population aged 16 to 64	64.9%	67.2%	67.2%	64.5%	64.3%	68.1%	63.3%
% with higher education qualifications ⁴	40.6	53.6	58.0	69.6	42.5	49.8	37.1
Those formally qualified to level 2+	74.2%	80.4%	83.0%	90.0%	78.0%	76.1%	73.6%
Gross weekly pay £ of residents	602.8	705.5	661.7	785.1	636.3	632.4	541.0
Gross weekly pay £ by workplace	599.7	579.5	545.7	608.5	538.0	670.8	540.2
Out-of-work benefit claimants	2.6%	1.1%	1.6%	1.1%	1.7%	1.8%	1.8%
% of main benefit claimants	7.8	4.6	5.7	4.4	5.1	7.7	8.7
Jobs density ⁵	0.58	0.72	0.70	0.76	0.61	0.96	0.82
Total workplace units:							
Micro ⁶	87.7%	86.6%	88.3%	90.0%	88.1%	86.2%	83.6%
Small	9.8%	10.8%	9.4%	8.4%	9.6%	11.0%	13.3%
Medium	2.1%	2.2%	2.1%	1.4%	1.9%	2.4%	2.7%
Large	0.3%	0.3%	0.2%	0.2%	0.3%	0.4%	0.4%

The key points to note are:

³ ONS Local Authority Profiles – see data annex – Local socio-economic data. Please note that ONS update the data set on a regular basis and that the data included relates to the point at which the report was written.

⁴ Percentages relate to those aged 16 to 64

⁵ Job density relates to the level of jobs per resident aged 16-64. For example, a job density of 1.0 would mean that there is one job for every resident aged 16-64. The job density for London as a whole is 0.96, which is below the national average.

⁶ Micro-businesses have a total of 1 to 9 workers; small businesses have 10 to 49 workers; medium have 50 to 249; large have 250+ (2015 data).

- the percentage of people with higher education qualifications in the South London area as a whole is significantly higher than the national average. Richmond upon Thames has the highest percentage while Croydon and Sutton are below the average for London
- Croydon has the largest population in the 5 London boroughs, it also has the lowest percentage of people aged 16-64 with higher education qualifications, which at 40.6% is higher than the national average
- Croydon also has the highest percentage of benefit claimants at 10.3%.

Patterns of employment and future growth

The South London review area accounted for 410,000 employee jobs and 481,000 workforce jobs in 2014, approximately 9% of total jobs in London. The 3 industries in the South London review area registering the highest level of jobs growth from 2009 to 2014 were⁷:

- professional, real estate, scientific and technical activities
- health and social work
- Information and communication

These areas were among the largest sectors in the review area in terms of the numbers of jobs:

- retail
- administrative and support services
- education

Together these 6 sectors accounted for 64% of total jobs in the South London review area.

The South London review area accounted for 7% of all jobs in London in professional occupations. In contrast, the review area accounted for a higher proportion of London's jobs in other occupational groups, including: skilled trades (11%); caring, leisure and sales workers (10%); process, plant and machine operatives; and elementary occupations (9%). Only elementary occupations grew significantly in the South London review area over 2004-2014. There was also a significant decrease in the area in the number of jobs in administrative and secretarial occupations.

The number of jobs in the South London sub-region is projected to increase from 481,000 jobs in 2014 to 498,000 jobs in 2036, equivalent to an average increase of 700 jobs per year, or 0.16% per year.

⁷ [GLA economics report 'Trends in the demand for labour and skills in London and the South Sub-region'](#)

There are currently a range of plans for new homes and jobs in the review area, projected to deliver over 30,000 new jobs and 12,000 homes, while the South London Partnership is developing a further growth proposition to build on opportunities such as Crossrail 2.

Large sectors in the South London review area, such as health, retail and education are projected to grow in responses to increases in the population of London. Construction is also projected to increase, although it is unclear to what extent this growth will be concentrated geographically in the South London review area.

The UK Commission for Employment and Skills 2013⁸ employer skills survey showed that the highest level of vacancies were in caring, leisure and other services, sales and customer services and associate professionals.

Further information on patterns of employment and future growth in the South London sub-region and London as a whole can be found in the GLA Economics reports that were shared with the South London steering group: 'Trends in demand for labour and skills in London and the South Sub-region' and 'Trends in demand for labour and skills across London as a whole'⁹.

Sub-regional priorities

The South London Partnership identified the following priorities for skills and curriculum in the review area:

- securing basic skills for all and preparedness for work, particularly for school leavers who do not achieve a full level 2, and English for speakers of other languages (ESOL)
- enabling more special educational needs and disability (SEND) learners of all ages to access learning provision and support near home
- clear pathways through education and skills across providers to raise aspirations, help people into work and to progress in work
- a high quality offer for key skills needs (with college specialisation where that enhances quality or efficiency) for jobs in South London and elsewhere, and to support increased employer investment in skills development
- a specialised high level skills offer linked to higher level job opportunities locally, more widely adding value and innovating to through strategic partnerships with key employers to build specialisms
- a responsive skills offering to support further growth aspirations linked into growth opportunities and emerging economic specialisms, reflecting evolving work practices (e.g. big data, digitisation and "human cloud", connecting freelancers and employers)

⁸ UKCES Employer Survey 2013

⁹ Trends in demand for labour and skills in London and the South Sub-region

- addressing a shortage of skilled manual and technical, professional and managerial staff; and people with advanced science, engineering and maths skills. Additionally, addressing a shortage of those with entry level and health and caring skills.

Feedback from LEPs, employers, local authorities, students and staff

Feedback from LEP¹⁰ representatives, sub-regional partnership (South London Partnership) and local authority representatives, employers and other stakeholders consulted during the area review process drew attention to:

- most vacancies in the review area are in high volume employment sectors, in some cases making up a significant proportion of total vacancies in those sectors, across London
- the importance of colleges leading the review and creating the right specialisms
- the challenges of young people not in education, employment or training (NEET) figures, as well as access to jobs
- the rise in children/young people with SEND between 2010 and 2015 and how the steering group should take this into account in their offer
- the need to support residents to access work wherever they can and the challenge to increase higher level jobs and productivity in the review area.

For each area review the National Union of Students submitted a report on the views of students which was considered by the steering group. Where the NUS submitted a report these are available on [NUS connect](#).

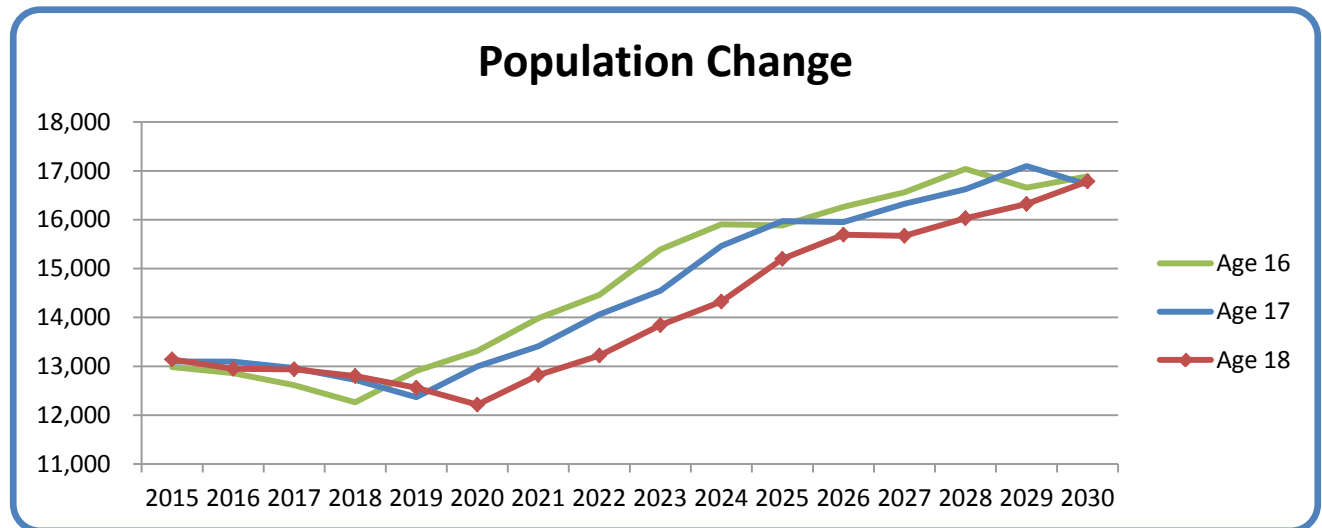
The colleges taking part in the review took primary responsibility for ensuring that their staff and union representatives had an opportunity to provide input throughout the review, which the steering group took into account. The Deputy Further Education Commissioner held meetings with staff union representatives prior to some of the steering group meetings to enable them to feed their views into the review.

¹⁰ Reference to engagement with the LEP relates to London's former Local Enterprise Partnership as the London LEP has recently been reconstituted

The quantity and quality of current provision

The steering group considered information provided by each local authority about population projections, focusing on the changes in the number and needs of young people aged 16+.

In the South London review area, the numbers of young people aged 16 to 18 declines until 2020 when numbers are projected to increase again, as shown in the chart below. The overall trajectory is similar for all other sub-regions in London¹¹.



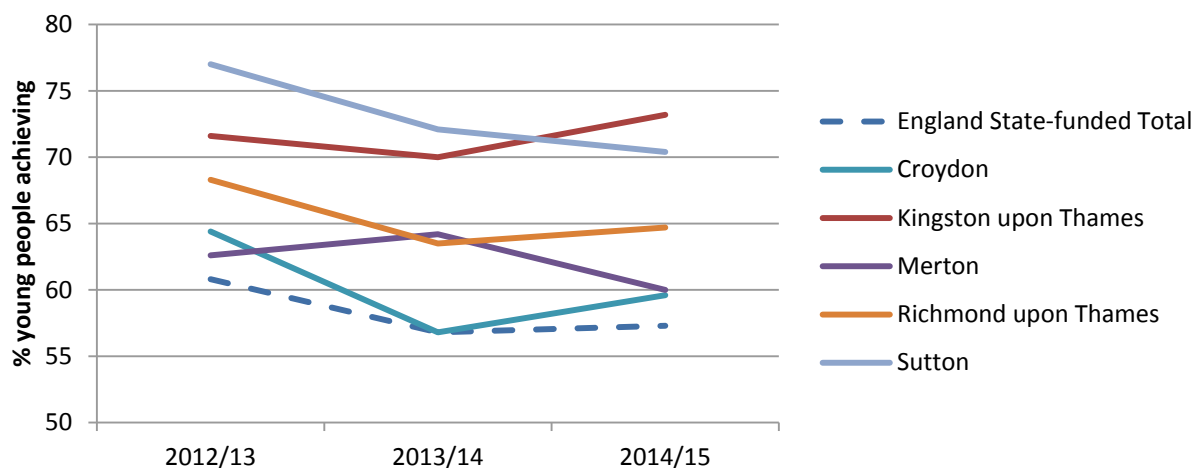
Performance of schools at Key Stage 4

The recent trend in GCSE pass rates for 16-year-old school pupils completing year 11 across the 5 local boroughs in the South London review area is illustrated overleaf¹².

¹¹ ONS sub-national population projections – see data annex: Population projections

¹² School Key Stage 4 results – see data annex. Local authority and total (state-funded sector) figures covering achievements in state-funded schools only.

Five GCSEs A*-C including English and Maths



Performance at key stage 4 in all 5 boroughs is above the national average. Croydon had the lowest rates of attainment of 5 GCSEs A*-C including English & maths in 2014 to 2105, although results are above the national average and have increased from the previous year. In Kingston upon Thames and Richmond upon Thames, GCSE results are significantly above the national average, and have also increased from the previous year. GCSE results in Merton and Sutton are above the national average, though down on the previous year¹³.

Schools with sixth-forms

Area reviews of post-16 education and training institutions are predominantly focused on general further education and sixth-form colleges in order to ensure there is a high quality and financially resilient set of colleges in each area of England. Schools with sixth-forms have the opportunity to seek to opt in to a review if the local steering group agrees.

The underpinning analysis for the review included current post-16 provision in the area made by schools with sixth-forms. Regional Schools Commissioners and local authorities have had the opportunity to identify any issues with school sixth-form provision, and feed these into the review. Regional Schools Commissioners take account of the analysis from area reviews in any decisions they make about future provision.

There are currently 59 funded schools with sixth-forms in the review area¹⁴, including 16 local authority maintained and 43 academies. Most school pupils in the age range 16 to 18 are enrolled on A level courses.

Overall funded student numbers in mainstream school sixth-forms increased by 1,514 (12.9%) in the 3 years 2013 to 2014 to 2015 to 2016 with a total of 13,255 young people

¹³ In 2013 to 2014, a change in how the GCSE performance of schools was defined led to a drop in the overall numbers of young people achieving 5 GCSEs A*-C including maths and English.

¹⁴ EFA Allocations – see data annex: 16 to 19 funding. Where part of a local authority is in the review area, that local authority has been included in the school sixth-form data.

funded in a mainstream sixth-form setting in 2015 to 2016¹⁵. School sixth-forms in the area vary in size but, using as a guide, for illustration purposes only, the application threshold of 200 for new school sixth-forms in academies, there are 28 school sixth-forms (including local authority maintained and academies but excluding special schools) that were funded below that figure in 2015 to 2016. The majority of schools with sixth-forms were graded by Ofsted as good or better.

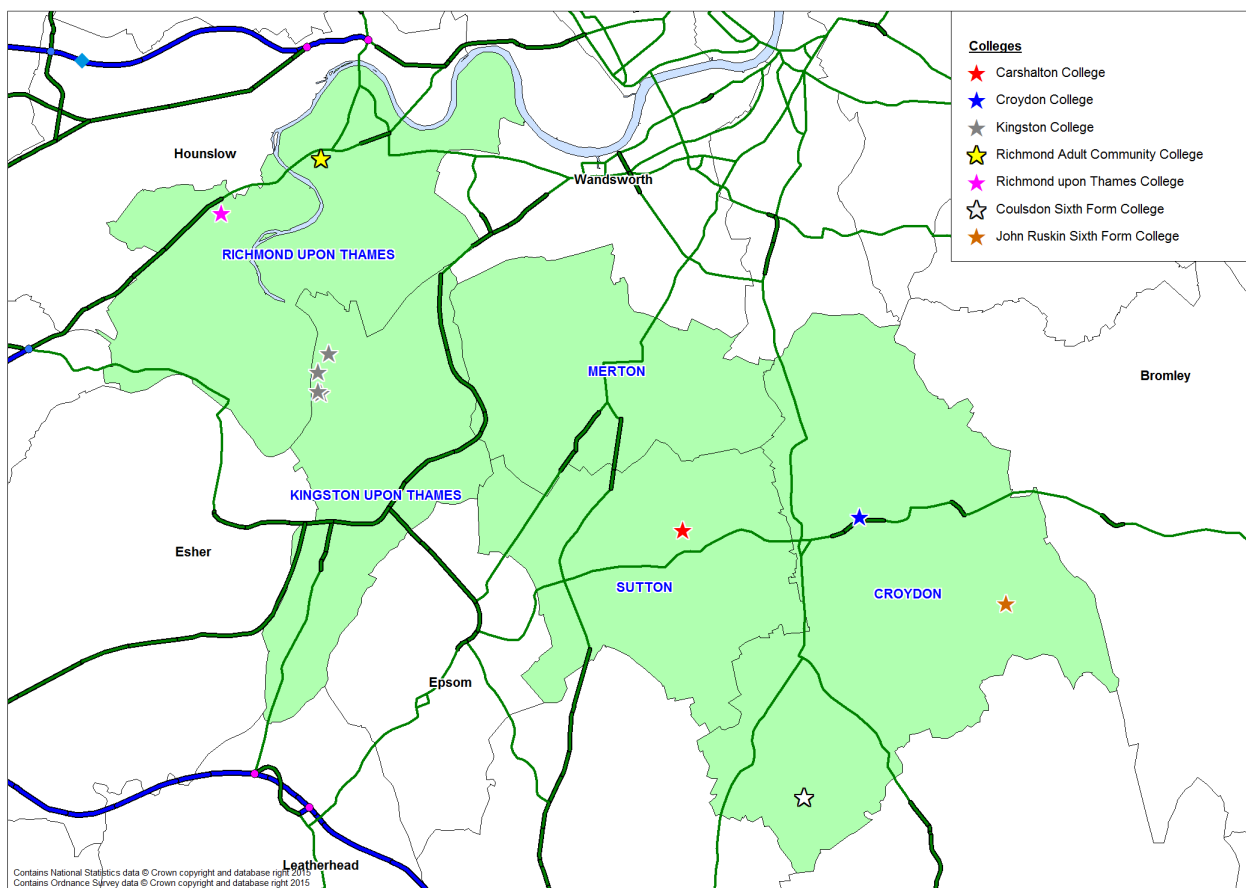
The further education and sixth-form colleges

Seven colleges (2 sixth-form colleges and 5 general further education colleges) participated in this review.

- Carshalton College
- Coulsdon College
- Croydon College
- John Ruskin College
- Kingston College
- Richmond Adult Community College
- Richmond upon Thames College

¹⁵ EFA allocations – see data annex: 16 to 19 funding.

The location of these colleges is shown below:



Part of the area review process involved a visit to each college by specialist further education and sixth-form college advisers who report to the respective commissioners. The advisers met with governors, senior managers and staff, and reviewed a wide range of documents and data relating to each college's current range and quality of provision, their track record in attracting students, and their overall financial health. Through a data sharing protocol between members of the steering group, the information from each of these visits was shared with colleges and informed the evidence base to the steering group for this review.

The current offer in the colleges

The colleges offer a variety of academic and technical learning, including apprenticeships, to 16-18 learners and adults.

All the general further education colleges offer apprenticeships. Some higher apprenticeships are offered in health, public services and care, information and communication technology, retail and commercial enterprise and business, administration and law.

Three of the 5 further education colleges deliver A level provision, as do both sixth-form colleges. Richmond upon Thames College has the largest number of learners studying A levels, followed by Kingston College.

The general further education colleges offer technical provision in a wide range of subjects including: building, construction and engineering; health and social care; science, technology, engineering and mathematics.

Richmond Adult Community College is a specialist adult learning provider which specialises in provision for learners with learning difficulties and disabilities (LLDD); English for speakers of other languages (ESOL); specialist adult literacy and numeracy; and mental health and wellbeing.

Quality of provision and financial sustainability of colleges

The following table provides a summary of the size and quality in each of the colleges:

College	Most recent overall Ofsted grade ¹⁶	EFA allocations (2015 to 16) ¹⁷	SFA allocations (2015 to 16) ¹⁸	Total college income (2014 to 2015) 000s ¹⁹
Carshalton College	Good (May 2014)	£6,454,861	£2,514,649	£13,363
Coulsdon College	Good (February 2014)	£4,148,104	£17,891	£5,380
Croydon College	Good (April 2014)	£8,927,190	£5,320,668	£24,844
John Ruskin College	Outstanding (October 2013)	£4,103,338	£1,766,311	£8,043
Kingston College	Good (June 2016)	£13,654,985	£3,005,498	£27,223
Richmond Adult Community College	Good (May 2015)	£92,154	£2,679,545	£5,821
Richmond upon Thames College	Requires improvement (November 15)	£13,067,799	£1,733,830	£18,866
Capel Manor College ²⁰	Good (January 2013)	£4,595,019	£2,832,249	£11,262

16 Ofsted – see data annex: College inspection reports

17 EFA allocations – see data annex: 16 to 19 funding

18 SFA allocations – see data annex: Adult funding

19 College accounts academic year 2014 to 2015 data – see data annex: College accounts. Figures in 1000s

20 Figures for Capel Manor represent all activity (across all London boroughs and beyond) and are replicated in all 4 London area review reports.

Where a college was subject to a financial notice of concern or a financial notice to improve this was a factor which was taken into account in the assessment of options for structural change in the review. Richmond upon Thames College is subject to a financial notice of concern issued by the Skills Funding Agency.

Overall, the condition of college buildings is good. Some colleges have higher average space per student than others, but this does not necessarily indicate being over-spaced. Each college has unique circumstances and constraints regarding estates. The area review has highlighted some instances where rationalisation or further investment might be considered further during implementation.

Through the Further Education (FE) Capital Investment Fund delivered by the GLA, London's Local Enterprise Partnership is investing in 16 colleges that are involved in the London area review, one of which is in the South London sub-region. The London LEP will be monitoring all the projects involved in the FE Capital Investment Fund and GLA officers will be having early discussions with the colleges should there be any impact on the investment resulting from the implementation of the area review recommendations.

Higher education in further education²¹

Progression of young people to higher education (HE) across London is the highest of all regions in England (greater than 38.1%) compared to a national progress rate of 35.4% for the United Kingdom²². All of the boroughs in South London have a higher rate of progression of young people to HE than the national average. The progression rate for students accessing HE by age 19 is: 41.8% for Croydon; 40.5% for Sutton; 46.8% for Merton and 54.8% for Kingston. Richmond had the highest rate at 61.5%.

There are a wide range of partnerships and forms of collaboration between London higher education institutions (HEIs), colleges and specialist designated institutions (SDIs) (as well as between non-London HEIs and London colleges or between London HEIs and non-London colleges). These include:

- Progression/articulation agreements
- Joint work on widening participation
- Quality assurance/validation by HEIs of HE delivery in FE colleges
- Co-design of courses such as foundation degrees
- Some sharing of tutors
- Some continuing professional development support to FE teachers
- Access for colleges to HE electronic resources
- Senior HEI staff sitting on college governing bodies

21 HEFCE POLAR 3 – see data annex: Higher education progression

22 Derived from HEFCE POLAR3 data – see data annex: Higher education progression

Provision for students with special educational needs and disability (SEND) and high needs²³

In 2015 to 2016, the EFA funded 370 post-16 places, across the 5 local authorities in colleges, special schools and specialist post 16 institutions. Colleges delivered 204 funded places between them. The college delivering the highest numbers of funded places is Richmond upon Thames College.

During the review, local authorities expressed some concerns that the high needs and SEND provision offered by colleges requires further development to ensure resources are used to create a wider variety of choices for learners.

The steering group acknowledged that structural changes taking place as a result of the review should not disadvantage post-16 students with SEND or high needs.

During the London reviews, representatives nominated by each of the 4 sub-regional steering groups came together to discuss SEND and high needs provision. Group members agreed that examples of good practice in planning, commissioning and delivery of services to SEND and high needs learners exist across London, but that there was potential to improve efficiency and quality through a wider, collegiate approach, including schools, private and community services and, ideally, health and employment services.

Apprenticeships and apprenticeship providers

In 2014 to 2015, there were 5,730 apprenticeships delivered in the South London review area.²⁴

The colleges in the South London review area delivered 2,360 apprenticeships in 2014 to 2015 (1,340 were for intermediate level and 1,020 for advanced level). There was a total of 60 higher level apprenticeships delivered by the colleges. John Ruskin College was the largest overall provider of apprenticeships in 2014 to 2015 while Croydon College was the largest contributor of higher level apprenticeships.

There were 13 independent training providers publicly funded to deliver apprenticeships within the 5 London boroughs in the review area. These providers delivered a total of 9,520 apprenticeships in 2014 to 2015.

This pattern may change in 2017, with the introduction of the apprenticeship levy²⁵.

²³ EFA Allocations – see data annex: 16 to 19 funding: High needs

²⁴ Numbers of apprenticeships by provider and LA – see data annex: Apprenticeships

²⁵ 'Apprenticeship funding: how it will work'

Land based provision

Landex, the sector organisation that represents a significant number of colleges which deliver land based provision, has prepared a report for steering groups on the mix and balance of land based provision across the country, the key deliverers of this and the importance of that provision to the sector and the economic development of the country.

The national strategic importance of the industry environmentally to food and water security in the future is set out. The land based industries have an ageing workforce and an increasing need for workers who can apply craft, scientific and technological skills in a land based environment. Nationally, apprenticeships in the land based sector have been slow to grow and there is a low rate of progression to level 4.

Information considered through the area review shows that the land based sector in London (which includes horticulture, landscaping, animal care, floristry, arboriculture and environmental conservation) has additional skills needs reflecting its urban focus.

Although nationally apprenticeships in the land based sector have been slow to grow, in London the introduction of a Pan London Regional Apprenticeship Scheme by Capel Manor College, supported by the land based sector, has led to an increase in the number of apprentices at level 2 and 3 in 2014 to 2015 to 250²⁶. Current recruitment trends coupled with planned initiatives and partnerships suggests that this growth will be sustained.

In London and nationally, there is a low rate of progression to level 4 and above among apprentices who go into employment in the sector after completing a level 2 or level 3 programme.

Capel Manor College

Capel Manor College continues to deliver the significant majority of London's land based provision through its 4 main delivery centres spread across all 4 review areas. The college offers a wide range of land based education and training to pre and post-19 learners, and at all levels up to and including higher level study.

London colleges and stakeholders recognise Capel Manor College as a regional specialist provider and the college data was made available to inform each steering group discussion. The college's provision was also considered by the London area review steering group as part of the review process.

²⁶ Number of apprenticeships by provider – see data annex: Apprenticeships

The need for change

Area reviews are intended to ensure that the further education sector has a strong and sustainable future – in terms of efficiency of operation, quality of provision, and the responsiveness of courses to the needs of individuals and employers.

At the start of the reviews London government set out its aims for the London area reviews, as a whole, which were to: undertake robust analysis of future economic and demographic demand, to inform how the education and skills system in London needs to develop in scope, quality and specialisms to meet that demand; to produce a set of deliverable recommendations for general further education colleges, sixth-form colleges and other institutions that participate in the review, which set them on a path towards sustainability and increasing responsiveness to demands in London; and to begin establishing the infrastructure needed in London to commission skills under a future devolved system.

London government and the South London Partnership also set out their priorities, confirming the need to:

- review the curriculum offer and pursue opportunities for specialisation, efficiency and better collaboration between the colleges
- build stronger partnerships between FE colleges, boroughs, employers and schools in developing the skills offer, with clear pathways for progression to help the region exceed current economic growth forecasts for South London and benefit residents
- increase the number of residents (including those with SEND) able to find the FE provision they want within the review area, helping them access jobs, further their careers and maximise their life opportunities.

The key areas for change

The key issues in relation to this review, and deliberated during steering group meetings, were:

- ensuring the colleges are financially viable for the future and therefore able to explore, identify and commit to solutions that will deliver greater financial resilience, and the potential for significant improvement in the college estates
- identifying a solution on the viability of all colleges in the review area
- ensuring the colleges' curriculum offer meets both the needs of their local community and London's skills priorities, addressing a shortage of skilled manual and technical, professional and managerial staff; and people with advanced science, engineering and maths skills. Additionally, addressing a shortage of those with entry level and health and caring skills
- improving the specialised high level skills offer linked to higher level job opportunities locally and more widely adding value and innovating through strategic partnerships with key employers to build specialisms

- increasing the colleges' delivery of apprenticeships, ensuring that strategies take account of the potential impact/opportunity from the levy, and considering opportunities for collaborative working, for example, through apprenticeship companies
- agreeing a strategy for specialisation and minimising unnecessary duplication between colleges' curriculum offer, building on current centres of technical excellence and preserving a locally accessible offer of learning up to level 2, across the review area
- sustaining and strengthening the offer of accessible SEND provision, across the review area.

Initial options raised during visits to colleges

During their visits, advisers reported that all colleges had given considerable thought to potential strategic options in advance of the review. In some cases, this meant informal discussions with neighbouring colleges and stakeholders to canvas views and to assess the potential level of support for change.

The types of options discussed were:

- formal structural change, including mergers and federations, which were considered to have the potential to improve financial viability, address quality issues and retain a good choice of subjects and options for students. Options raised included mergers between Carshalton and Kingston College; and Richmond Adult Community College and Hillcroft College, a residential SDI women's college
- the potential for collaboration to reduce costs and for sharing services and further joint working
- discussion between colleges about the case for specialisation, balancing between A level provision and the technical offer
the case for remaining stand-alone where colleges could demonstrate long term financial viability, whilst also working closer together and forming a more collaborative culture. For example, where John Ruskin College discussed closer cooperation with Coulsdon College and looked at each other's provision as complementary to that of other local providers, rather than in direct competition.

Criteria for evaluating options and use of sector benchmarks

Assessment criteria

In each area review, 4 nationally-agreed criteria are used for the process of assessment. These are:

- meets the needs of current and future students and employers
- is feasible and generates financial sustainability
- raises quality and relevance of provision, including better outcomes
- achieves appropriate specialisation

FE sector benchmarks

To support rigorous assessment of proposals, particularly options leading to major structural change, DfE have developed a series of sector 'quality and financial indicators and related criteria'.

Financial benchmarks relate to delivering operating surpluses of 3% to 5%, ensuring borrowings stay below 40% of annual income (the maximum threshold set for affordability), staff costs of no more than 65% of total income (FE sector average) and a current ratio greater than 1. Financial plans were assessed for each option, including colleges seeking to stand alone, prior to consideration by the local steering group.

A number of other indicators are also taken into account by the steering group. These relate to the impact of proposed changes on quality of provision, on teaching efficiency, and how they actively support growth in apprenticeships and work at levels 4 and 5. Within proposals, overall levels of provision for high needs students should be maintained. New strategic plans need to be supported by LEPs and local authorities. Colleges may also need to review their senior staffing and their governance to ensure that they have the required skills, and the capacity to implement rapid change.

The assessment of options indicated that, based on the information available to the area review steering group, the colleges would move towards the benchmarks and indicators through successful implementation of options, and that the protected characteristics groups, including high needs students, would retain at least equal access to learning.

More detail about these benchmarks is contained in area review guidance Annex F²⁷ (revised March 2016).

²⁷ [Reviewing post-16 education and training institutions: updated guidance on area reviews Annex F, Pages 49-53](#)

Recommendations agreed by the steering group

Eleven recommendations, including 3 pan-London recommendations were agreed by the steering group at their meeting in November 2016. These were:

- Carshalton College and Kingston College to merge with or without South Thames College and continue to seek ways to generate savings in operational functions while seeing gains in financial performance and quality. The merged college will also need to develop capacity to engage with employers and implement the new apprenticeship levy arrangements and should seek to establish a collaborative business structure to strengthen its capabilities
- Coulsdon College to remain a stand-alone sixth-form college, developing its federated partnership with Reigate College
- Croydon College to remain as a stand-alone further education college, with a recommendation to review that position by summer 2017 with the Department for Education, taking account of the college's July 2017 financial plan, and to pursue options for further collaboration up to and including mergers, should it be clear by that time, at the latest, that such action is required to secure viability of provision in the area
- Croydon College will also continue working with Coulsdon College, John Ruskin College and local stakeholders, particularly Croydon Borough Council, to ensure the curriculum offer is coherent and offers breadth, quality and progression
- John Ruskin College to remain a stand-alone sixth-form college, working with Coulsdon College and Croydon College and local stakeholders, particularly Croydon Borough Council, to ensure the curriculum offer is coherent and offers breadth, quality and progression
- Richmond Adult Community College (RACC) to merge with Hillcroft College, with RACC being incorporated into Hillcroft to form a larger, more sustainable specialist designated institution, focusing on provision for adult learners and LLDD students of all ages. Hillcroft's mission will be protected within the provision of the new, larger institution. The 2 colleges will also explore options for further collaboration with Morley College (a specialist designated institution in the Central London sub-region)
- RACC and Richmond upon Thames College to explore the development of a business development unit, which will provide shared services including promotion and administration of apprenticeships, learning loans and SEND placement and internship programmes
- Richmond upon Thames College to remain as a stand-alone further education college, with a recommendation to review that position in summer 2017 with the Department for Education, taking account of the college's July 2017 financial plan, and to pursue options for further collaboration, up to and including a merger, should it be clear, by that time at the latest, that such action is required to secure the viability of local provision
- London government and providers of Adult Community Learning (ACL), including colleges, to explore recommendations arising from the London review of ACL in the

review area, including the potential development of a sub-regional community education hub

- Representatives from the South London area review to work with colleagues from other sub-regions to support the proposed pan-London review of SEND and high needs provision
- The South sub-region to continue work to develop a sub-regional Skills and Employment Board, to take forward the partnership working developed during the area review. Pan-London implementation arrangements to be put in place to support delivery of the outcomes of the London area reviews.

Each of these options is now outlined in more detail:

Carshalton College and Kingston College

Carshalton College and Kingston College to merge with or without South Thames College and continue to seek ways to generate savings in operational functions while seeing gains in financial performance and quality.

As part of the Central London review, an option for South Thames College was to merge with Carshalton and Kingston College. This is subject to the agreement of the South Thames College Corporation²⁸.

- In terms of meeting current and future needs, the merger of Carshalton and Kingston Colleges will extend the strategic reach of the college to secure a larger footprint in the region. The merged college will develop capacity to engage with employers, implement the new apprenticeship levy arrangements and seek to establish a collaborative business structure to strengthen its capabilities. If Carshalton and Kingston Colleges merge with South Thames College, which was the preference of the South London steering group, the colleges plan to undertake a full-scale curriculum review of provision across the 3 colleges and their different operating bases, and assess the opportunities for growth and consolidation between the different delivery locations. The geographical proximity of Carshalton College and South Thames College's Merton campus requires some detailed scrutiny of how their respective offers interact and whether there is room for specialisation in a particular locations to create a sub-regional centre of excellence
- with regard to financial sustainability, initial financial assessment of the merger between Carshalton and Kingston College has shown the merger would improve financial resilience, with the merged college achieving the majority of benchmarks. Operating performance falls short of the benchmark, however this is expected to improve with savings and efficiencies generated by merger

²⁸ South Thames College Corporation confirmed in December 2016 that they intend to pursue a merger with Carshalton College and Kingston College

- in respect of quality of provision, both Kingston College and Carshalton College are graded good by Ofsted and South Thames College is graded as requires improvement. The colleges aim to appoint a leader in each location with a focus on quality, and to establish a sub-regional FE Professional Development Centre to drive improvements in teaching, learning and assessment and to ensure consistency of practice across the merged college
- the colleges' current specialisms include: creative industries; science, technology, engineering and mathematics, building, construction, service and leisure industries. The colleges will explore opportunities to develop a collaborative approach and to focus a particular specialism in one of the colleges, where this would be beneficial.

Coulsdon College

Coulsdon College to remain a stand-alone sixth-form college, developing its federated partnership with Reigate College.

- In terms of meeting current and future needs, the college will continue working with Croydon College, John Ruskin College and local stakeholders, particularly Croydon Borough Council, to ensure the curriculum offer is coherent and offers breadth, quality and progression. The college enrolls students from all over South London
- with regard to financial sustainability, it will be challenging for the college to remain stand-alone. However, federation with Reigate College since 2013 has resulted in significant savings. By continuing with the federation, the college is improving its financial sustainability through a range of savings and moving towards financial benchmarks
- in respect of quality of provision, the college was graded good and Reigate College graded as outstanding by Ofsted. The college's results have continued to improve with increasing learner numbers since its federation
- the college specialises in 16-19 level 3 provision and will continue to provide a distinctive sixth-form offer in collaboration with John Ruskin College, so that the young people of Croydon have the choice of a sixth-form-college style education that is not available elsewhere within realistic travel-to-learn times.

Croydon College

Croydon College to remain as a stand-alone further education college, with a recommendation to review that position by summer 2017 with the Department for Education, taking account of the college's July 2017 financial plan, and to pursue options for further collaboration up to and including mergers, should it be clear by that time, at the latest, that such action is required to secure viability of provision in the area.

The college will also continue working with Coulsdon College, John Ruskin College and local stakeholders, particularly Croydon Borough Council, to ensure the curriculum offer is coherent and offers breadth, quality and progression.

- in terms of meeting current and future needs, the college will develop more specialised higher education and apprenticeships offers. The partnership with the University of Sussex is strong and purposeful in widening participation. The university and the college are working closely together to introduce University of Sussex postgraduate programmes to Croydon at the University Centre from 2017 to 2018, to develop Croydon as a university town. The college expects the creation of the new campus to provide further opportunity to develop higher education programmes and realise the vision of a cultural and education quarter in the centre of Croydon
- with regard to financial sustainability, based on initial financial assessment, the college will continue to be viable as a stand-alone institution but will need to take steps to address operating performance in order to move towards the published benchmark. By exploring options for developing partnerships there is the potential to achieve efficiencies in both delivery and back office costs which will improve financial sustainability and progression towards benchmarks
- in respect of quality of provision, the college was graded good by Ofsted
- specialisms will be strengthened in the key priority areas of STEM and digital. In partnership with the University of Sussex, the college will explore the potential for an Institute of Technology, to meet South London's higher level STEM and digital skills needs.

John Ruskin College

John Ruskin College to remain as a stand-alone sixth-form college working with Coulsdon College and Croydon College and local stakeholders, particularly Croydon Borough Council, to ensure the curriculum offer is coherent and offers breadth, quality and progression.

- in terms of meeting current and future needs, a memorandum of understanding on curriculum collaboration has been agreed with Coulsdon College to strengthen the sixth-form college brand in Croydon. This offers a comprehensive choice of both academic and technical programmes between the 2 colleges and addresses the issue of learners going out of the borough because they perceive their needs are not being met locally. The college is also working in partnership with the Catholic sixth-form colleges which took part in the Central London review, to deliver apprenticeships. The college expects an increase in opportunities for progression for learners at levels 2 and 3 to apprenticeships and HE, with the planned development of HE provision in Croydon
- with regard to financial sustainability, the college's current financial position is strong and developing partnerships alongside curriculum re-design have the potential to significantly enhance financial resilience and enable the college to achieve all financial benchmarks

- in respect of quality of provision, the college was graded outstanding by Ofsted
- the college's specialism is level 3 provision and it is also the only college in the area growing its 14-16 provision.

Richmond Adult Community College

Richmond Adult Community College (RACC) to merge with Hillcroft College, with RACC being incorporated into Hillcroft to form a larger specialist designated institution, focusing on provision for adult learners and LLDD students of all ages.

The 2 colleges will also explore options for further collaboration with Morley College (a specialist designated institution in the Central London sub-region).

- in terms of meeting current and future needs, the merged institution will enable the expansion of RACC's adult wellbeing, employability, basic skills provision and provision for learners with learning difficulties and/or disabilities. A type B merger with Hillcroft College would enable RACC's current provision to operate under the specialist designated institution framework providing greater flexibility in the use of funding to better meet the broad range of adult learner needs within the community
- with regard to financial sustainability, initial financial modelling has indicated RACC will need to take steps to address operating performance in order to move towards the published benchmark. The merger has the potential to generate efficiencies and savings through streamlined leadership and shared management and business support services
- in respect of quality of provision, the college was graded good by Ofsted
- following the merger, the college will expand its specialist provision in adult wellbeing, employability, basic skills and LLDD provision through the development of provision at the Hillcroft site. This would also provide the opportunity for residential provision.

Richmond upon Thames College

Richmond upon Thames College to remain as a stand-alone further education college, with a recommendation to review that position in summer 2017 with the Department for Education, taking account of the college's July 2017 financial plan, and to pursue options for further collaboration, up to and including a merger, should it be clear, by that time at the latest, that such action is required to secure the viability of local provision.

- in terms of meeting current and future needs, the college will continue to offer progression from level 1 to level 4 and 5 across a number of sector skills areas. The college plans to continue growing technical and professional provision supported by LEP capital funding and other investment in the new campus which has secured significant employer endorsement

- with regard to financial sustainability, initial financial modelling has shown that the college's financial position is forecast to improve, in line with delivery of the college's financial recovery plan and the targets outlined in its strategic plan. These improvements will enable the college to progress towards the benchmarks
- in respect of quality of provision, the college was graded requires improvement in 2015. Ofsted has reported that the college shows evidence of improvement, particularly in its teaching and learning
- the college's specialisms will include high priority areas such as: advanced engineering, low carbon automotive, renewable construction, applied science, sports fitness/science, performing arts, digital and creative media and hospitality and leisure.

Business Development Unit

RACC and Richmond upon Thames College to explore the development of a business development unit, which will provide shared services including promotion and administration of apprenticeships, learning loans and SEND placement and internship programmes.

The new business development entity between RACC and Richmond upon Thame College will co-locate services, delivery and administration staff to maximise opportunities and revenue through: apprenticeship training; professional and employer based mandatory training programmes; access to learning loans provision and progression to higher education; corporate team building programmes; SEND placement and internship programmes; and career transition.

Adult Community Learning Services

London government and providers of Adult Community Learning (ACL), including colleges, to explore recommendations arising from the London Review of ACL in the review area, including the potential development of a sub-regional community education hub.

In parallel with the London area reviews, London government conducted a review of ACL, which aimed to establish the long term strategic direction for post-19 ACL provision in London, to meet Londoners' needs, and to develop a set of recommendations for commissioning and delivery of ACL provision in London, post devolution. The ACL review recommended that London government should support the development of sub-regional community education hubs either through a single LA, college or Institute for Adult Learning (the new name for the SDIs); and that a task and finish group should be established to determine SEND need and how best to meet it. These recommendations will be taken forward as part of the implementation of London area reviews.

Pan-London review of SEND and high needs provision

Representatives from the South London area review to work with colleagues from other sub-regions to support the proposed pan-London review of SEND and high needs provision.

During the London area reviews, representatives nominated by each of the 4 sub-regional steering groups came together to discuss SEND and high needs provision. The group's view was that London providers and London government should consider the potential for a consistent commitment to all SEND and high needs learners, with respect to access and quality of provision. The group agreed though, that data on SEND and high needs provision in London was incomplete and out of date, and that priority should be given to reviewing the current provider map, considering how well services meet existing learner needs, and their capacity to meet projected demand. The group's view was that a review would need to take a wide enough scope to enable recommendations to be made for improvements across planning, commissioning and delivery of SEND and high needs services.

A pan-London SEND and high needs working group will be developed that builds on the SEND group established during the London area reviews. The group will take a strategic overview of SEND and high needs issues across London to ensure equality of access to education and training. It will also monitor the implementation of area review recommendations with respect to SEND issues. The group will consist of representatives from London government (including the sub-regions), national government, colleges and providers and other stakeholders.

Implementation arrangements

The South sub-region to continue work to develop a sub-regional Skills and Employment Board, to take forward the partnership working developed during the area review. Pan-London implementation arrangements to be put in place to support delivery of the outcomes of the London area reviews.

A London Area Review Implementation Group will be established by the GLA, to support and monitor implementation of the review's recommendations. This will comprise representatives from: DfE's funding agencies; GLA; London Councils; the 4 sub-regional partnerships (Central London Forward, Local London, the South London Partnership and the West London Alliance); the Association of Colleges; the Sixth Form Colleges Association; and a representative of the new SEND pan-London working group. The group will operate from January 2017 through to April 2018, as required, and will report and provide regular updates to the FE Commissioner, the Mayor's Skills for Londoners taskforce, sub-regional Skills and Employment Boards and the London Regional Committees of the Association of Colleges and Sixth Form College Associations.

Each of London's 4 sub-regions will continue work to develop a sub-regional Skills and Employment Board, to take forward the partnership working developed during the area review.

Capel Manor

There was no specific recommendation concerning Capel Manor College from the London area reviews but as a result of the area reviews, the college has undertaken to:

- continue to work with the land based sector, other London colleges and providers to develop further innovative solutions to ensure all learners across London who seek employment in this sector can cost effectively access the high quality and sustainable land based education and training they need to progress their careers, establish a business or gain permanent employment in the sector in London
- offer new level 4 and level 5 programmes in urban green space management, arboriculture, animal management and zoology and floristry, the latter including new apprenticeship programmes in association with New Covent Garden Market
- set up a sports turf academy, offering apprenticeships in sports turf and green keeping.

Conclusions from this review

The purpose of area reviews is to put colleges on a stronger financial footing whilst also enabling them to better meet the economic and educational needs of students and employers for the long term.

Throughout the review, colleges have worked closely with the GLA, local authorities and the review team, sharing detailed information about their performance and processes. Each local steering group member has been in a position to offer ideas for change, and make comments and assessments about others' proposals and plans for their area. The review team is grateful for the positive approach taken by all the local stakeholders involved in the review.

The issues arising from the area review, summarised in 'The need for change', will be addressed through:

- mergers and federations to improve financial sustainability, review provision and remove unnecessary duplication, as well as on-going collaborative work between the colleges. The memoranda of understanding between Croydon and John Ruskin Colleges and the merger between Kingston and Carshalton colleges will create opportunities for improving the breadth and coherence of the local curriculum offer, as well as achieving efficiencies through shared services
- plans to grow apprenticeship provision, and to align the wider curriculum to meet with local and London-wide skills needs. This includes the continuing work by John Ruskin College with employers to reduce sub-contracting and increase direct delivery. The proposed business development unit between RACC and Richmond upon Thames College is also intended to support growth in apprenticeships, with a further contribution through the proposed joint apprenticeship arrangements between Kingston, Carshalton and South Thames colleges
- Croydon College, in partnership with the University of Sussex, exploring the potential for an Institute of Technology, to meet South London's higher STEM and digital skills needs. In addition, Richmond upon Thames College's development of a new college campus will further enhance the continued development and growth of technical and professional provision, which will include specialist delivery in high priority areas
- the establishment of a pan-London implementation group and the sub-regional Skills and Employment board which will broaden the area review partnership of boroughs and colleges, to include employers and other learning providers, allowing a joined up approach to curriculum planning in response to the skills needs identified through this review.

Next steps

The agreed recommendations will now be taken forward through recognised structural change processes, including due diligence and consultation.

Proposals for merger, sixth-form college conversion to academies, or ministerial approval, for example of a change in name, will now need intensive work by all parties involved to realise the benefits identified. Colleges will want to give consideration to making timely applications for support from the [Restructuring Facility](#), where they can demonstrate that the changes cannot be funded through other sources. Colleges exploring academy conversion will be subject to the application process and agreement by the Sixth Form College Commissioner and the Regional Schools Commissioner.

Primary responsibility for implementation of recommendations relating to individual colleges rests with those institutions. However, it will be important to understand how progress is going in the round in each area and each set of area review recommendations will be formally monitored at both national and local levels. As the [guidance](#) produced for LEPs and local authorities sets out all those involved in the local steering group will be expected to play their full part in ensuring that changes happen within the timescale agreed. In this context, LEPs and local authorities are expected to retain their focus on driving changes, and assessing how implementation of recommendations is contributing to local economic performance. The EFA and SFA, with oversight from the FE Commissioner and Sixth Form College Commissioner, will also be monitoring progress across all areas.

A national evaluation of the area review process will be undertaken to assess the benefits brought about through implementation of options. It will include quantitative measures relating to the economy, to educational performance, to progression, to other measures of quality, and to financial sustainability. This analysis will also take account of the views of colleges, local authorities, LEPs, students and employers about how well colleges are responding to the challenges of helping address local skills gaps and shortages, and the education and training needs of individuals.



Department
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